

Chief ALJ/Executive Director Jay Arcellana also reported the Department of Personnel Administration has granted CUIAB full authority to manage the ALJ II classification. This was the culmination of a lot of hard work, and in particular of Chair Thornton's support.

Chief ALJ/Executive Director Jay Arcellana stated the October revise resulted in virtually no change for CUIAB, inasmuch as the Agency lost two UI funded positions but gained two DI funded positions.

Finally, Mr. Arcellana introduced Candace Martinez, who is serving as receptionist in the Executive Director/Chief ALJ's office. Candace will also fill in for Cary Meade as his Secretary in Cary's absence.

6. Branch Reports:

a. Chief ALJ/Executive Director Jay Arcellana reported there will be a PALJ meeting in Sacramento on Tuesday, November 18, at 10:00 a.m. Due to travel restrictions, they will do more one-day meetings to minimize travel and per diem costs.

b. Deputy Chief ALJ Julie Krebs, Appellate Operations Branch, reported Appellate Operations registered 1,662 cases in October and disposed of 1,759, leaving 2,165 cases in the inventory. All three time lapse measures in October were achieved.

Chair Thornton asked about the Appellate Operations' backlog. Deputy Chief ALJ Krebs responded there are currently 2,165 cases in inventory, down from a recent high of 2,691 cases. The optimal inventory is between 1,700 and 1,800 cases.

Member Novey inquired about use of retired annuitant employees. Deputy Chief ALJ Krebs stated their present usage is about two support staff annuitants for one day each week. Member Novey expressed his support for the use of retired annuitants. Chief ALJ/Executive Director Arcellana agreed that retired annuitants are a valuable tool for dealing with workload fluctuations while not adding to the state workforce, but that some agencies have been criticized in the media for using annuitants to get around the recent hiring freeze. However, given the CUIAB's long history of retired annuitant usage, that criticism would not be well-taken with regard to the CUIAB.

Deputy Chief ALJ Krebs further reported that LSS II Marie Martinez will be retiring as of the end of the year.

c. Deputy Director Pam Boston reported that the work of the E-Government Committee is now done with the completion of both an internet site and an intranet site for the CUIAB. All state agencies were mandated to establish such sites by a Governor's Executive Order. Deputy Director Pam Boston commended the members of the committee for their fine work.

Deputy Director Pam Boston also reported that the surplus letters issued to employees with less than 30 months of state employment in June have been rescinded, pursuant to the revised reduction plan submitted to and approved by the Department of Finance.

Deputy Director Pam Boston further reported that the ALJ I examination will be conducted on November 22. A total of 106 applications have been received, only 8 of which were rejected as not meeting the minimum qualifications. A list is expected by the end of the year, and it will be merged into the existing employment list for ALJs.

Finally, Deputy Director Pam Boston reported that Personnel Officer Rosie Forrest will be retiring effective December 31.

d. Deputy Director Mary Walton-Simons reported that Lois Mannix of P&PM has recently completed a support supervisor training package, the Agency's first. Ms. Mannix also wrote a manual that should prove to be very valuable for all supervisors. The first beneficiaries of the training will be recently appointed supervisors in San Diego and Oxnard.

Deputy Director Mary Walton-Simons further reported that the P&PM verification team is assisting the Inland Office of Appeals this week.

Deputy Director Mary Walton-Simons advised that she has been asked to serve as a member of the NAUIAB membership subcommittee, to which she agreed.

8. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that each Board member reviewed 572 cases in October. This represents an increase from the previous month. In litigation, five new mandate cases were received last month.

Chief Counsel Ralph Hilton presented Chief ALJ/Executive Director Arcellana with the State certificate and gift for 25 years of state service.

9. New Business

a. Workload Report—Hugh Harrison

Unemployment Insurance cases constitute 90% of the CUIAB's workload. Registrations this year are 9% more than in 2002, 35% higher than in 2001, and 45% higher than in 2000. Dispositions have had similar increases. The field has been setting records for each of the past three years for registrations and dispositions. Currently, the field (lower level appeals) is keeping up with the current workload but is not reducing the backlog.

We started making some real progress on the backlog of cases in July and August of this year, as we had more dispositions than registrations for the first time in three years. Then, however, in September and October over 3,000 identity theft cases were registered. It is hoped that this is only a bubble and we will soon be turning the corner on the workload. For example, TEUC cases constitute 7% of the field's workload. This program is due to expire in December. Thus, we should

see a significant drop in workload unless Congress extends the program. There are currently two major trade disputes underway in Southern California which likely will generate additional workload. Hearings are scheduled for December and January in the Pacific Maritime Association trade disputes. This case involves 4,400 claimants. The MTD strike may involve 3,000-5,000 claimants. A grocery strike would potentially involve 70,000 claimants. The DI workload is flat, but the paid family medical leave program will go into effect in July 2004.

The CUIAB must depend to a large extent on EDD forecasts, which in recent years have not correctly forecast the extent of the increases in workload.

Because of the significant increases in workload over the last couple of years, the field has not been able to make time lapse. For the current reporting year 26% of the cases are decided within 30 days, 57% in 45 days, and 94% within 90 days. The time lapse requirements are 60%, 80%, and 95% respectively. The good news is there are no really old cases awaiting hearing.

One of the biggest problems for the CUIAB is how to manage increases in workload that are here now but won't be forever. Over fifty new judges have been hired in the last two years to work in the field, although some of that hiring has been offset by ALJ retirements. Other measures to address the workload have been to increase the judges' caseloads, by two hearings per week, and creation of the ALJ II classification, which has resulted in a 13% increase in productivity, with an additional three hearings per week.

Chair Thornton asked if the backlog of cases was uniform throughout the state, and if not, where are the problem areas. ALJ Harrison responded that as each geographic area is affected differently by the economy, the Agency's workload similarly varies. For example, our workload was very heavy in the Bay Area after the IT crash, but currently the Bay Area has the lowest backlog, while the highest is now in Southern California.

Member Strom-Martin asked how the Agency determines and achieves equity between offices in terms of support staffing. ALJ Harrison replied that the Agency looks at many factors, including the workload trend in each particular office and space availability. Ultimately, we try to maintain a staffing ratio of 1.1 to 1.2 support staff to each ALJ.

Chair Thornton asked whether the Agency has sufficient support staff to support new ALJ hires. ALJ Harrison replied that we do not have enough support staff to support the current number of ALJs, as evidenced by our extensive use of overtime. Decision typing in particular is a problem. Chief ALJ/Executive Director Arcellana added that more ALJs mean more work at all levels of support staff, from the receptionists and intake staff to decision typists, and innovative solutions such as ATO are no longer available to us as a result of the Bureau of State Audit report.

Chief ALJ/Executive Director Arcellana also mentioned that ALJ Harrison puts together a monthly report on workload status, helped in that regard by Budget Officer Renee Erwin, both of whom he commended for their fine work.

Vice Chair Medearis asked ALJ Harrison if the Agency had explored any time-saving options for typing decisions, such as those utilized by court reporters. ALJ Harrison replied that they had indeed done so, citing Boomerang, the HUB, voice-to-text, and providing a PC for each ALJ as examples. In response to a suggestion by Member Medearis, ALJ Harrison stated that the Agency has also increased staff efficiency through the use of standard decision paragraphs.

Member Novey commented, with regard to the Family Temporary Disability Insurance program coming on line in July 2004, that the new administration may have different ideas about how it should be implemented. Member Novey also commented that he was quite impressed, favorably, by the difference between how the staffing issue is being handled now versus how it was handled in 1992.

b. Strategic Plan Presentation

P&PM staff manager John Dickerson presented the CUIAB Strategic Plan, which sets forth the Agency's mission statement, vision statement, and goals and objectives. The plan was written by a team that included representatives from every level of each branch of CUIAB. The Strategic Plan was approved by unanimous vote of the Board. It will now be sent to the Department of Finance for its approval.

10. Public Comment:

None presented.

11. Closed Session:

The regularly scheduled Board meeting adjourned, and the Board entered into closed session. No votes were taken on any matters in closed session.